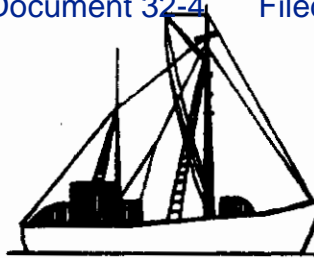


JAMES T. SIMONITSCH

INDEPENDENT MARINE SURVEYOR



P.O. BOX 192, ROUND POND, ME 04564

TEL: 207-529-6885 • FAX: 207-529-6887

March 14, 2006

Mr. Kenneth Chiarello  
Clinton and Muzyka  
One Washington Mall, Suite 1400  
Boston, MA 02108

By FAX and USPS

Mr. Timothy Duffy  
Mason & Duffy, PC  
72 Sharp Street, Unit A9  
Hingham, MA 02043

Re: OneBeacon America Insurance Co. Vs. Bluewater Enterprises Inc., US District  
Court (Massachusetts) Civil Action #04-11753-JLT

Dear Mr. Chiarello and Mr. Duffy:

Following the Status Conference held in Boston on March 7, 2006, I traveled to Fairhaven, Massachusetts and held a meeting with Mr. Kevin McLaughlin, one of the principals in Fairhaven Shipyard and Marina, Inc.. The purpose of the meeting was to discuss the proposed order from the court authorizing the umpire to obtain an estimate covering repair of collision damages to the F/V "Prim Lady".

At the time of my meeting with Mr. McLaughlin the following points were made:

1. Fair Haven Shipyard & Marina, Inc. agreed to estimate the cost of the collision repairs.
2. Mr. McLaughlin was instructed to check in with the boat owner's counsel and the boat owner prior to attending the vessel.
3. Mr. McLaughlin was provided with a copy of the umpire's letter to perspective bidders, such as was sent to the seven boat yards previously invited to bid on the repairs.
4. Mr. McLaughlin agreed to submit his estimate prior to the court's deadline.

Mr. Chiarello & Mr. Duffy

March 14, 2006

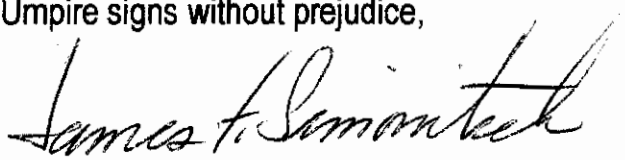
Page 2

5. Mr. McLaughlin will address his report and the invoice for the estimate to the undersigned.
6. Mr. McLaughlin agreed to call the undersigned in the event he had any questions.

All this was done in good faith and without having first received the order requested by Judge Tauro at the Status Conference.

In the event that you have any questions please feel free to call.

Umpire signs without prejudice,

A handwritten signature in black ink, appearing to read "James T. Simonitsch". The signature is fluid and cursive, with a large, sweeping initial "J".

James T. Simonitsch  
Certified Marine Surveyor  
Umpire

JTS/ccp